2014

Summary of Legislation Passed by Both Houses of the State Legislature

(as of January 6, 2015)



New York State Conference of Mayors and Municipal Officials

Mayor Ann M. Thane, City of Amsterdam, NYCOM President
Peter A. Baynes, Executive Director

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Finance

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Enacted as Part of State Budget

AIM Funding – The Adopted Budget maintains AIM funding at current year levels, totaling \$715 million for cities, villages and towns. The Budget does continue the \$123,000 in Miscellaneous Financial Assistance for the four most recently incorporated villages (Mastic Beach, Woodbury, South Blooming Grove and Sagaponack) and includes an additional \$2 million in per capita aid for New York's villages. (Please note: This is not over and above the \$1.5 million in per capita aid that villages received last year. It is a total of \$2 million which reflects a \$500,000 increase over last year's per capita aid amount.)

Transportation Aid – Funding for CHIPS includes a one-time increase of \$40 million for "Extreme Winter Recovery" (i.e., potholes), bringing the CHIPS total for 2014-15 to \$478 million. It is anticipated that this additional money will be distributed using the standard CHIPS formula. Marchiselli Aid continues to be funded at \$39.7 million.

Property Tax "Freeze" – Effective for local government *fiscal years beginning in 2015*, the Adopted Budget includes a program to effectively "freeze" property taxes for two years on the primary residences of homeowners with annual incomes at or below \$500,000 in local governments and school districts that stay within the tax cap. The credit, which will be distributed to each eligible homeowner in the form of a check, will be equal to the greater of: a) the amount by which the individual's property tax bill increased from year to year or b) the amount of the individual's prior year tax bill multiplied by the allowable levy growth factor (the cap amount) for the subsequent year. This eliminates the incentive for a municipality to automatically increase its levy to the capped amount if they don't need to, since their residents will be eligible to receive a check as if they did levy the full amount regardless.

For the first year, no homeowner would be eligible to receive the property tax credit until the CEO or budget officer of the local government certifies to the State Comptroller and the Commissioner of Taxation and Finance that they have stayed within the cap and that they did not enact a local law to override the cap. (If a local law was enacted and the cap was not exceeded, the law would have to be repealed.) This certification must be completed no later than 21 days into the fiscal year to which it applies.

In order for homeowners in their jurisdictions to receive the property tax credit in the second year, the local government must certify that it has stayed within the tax cap (and there is no local override law in place), as well as develop (or participate in the development of) a state-approved "Government Efficiency Plan" that features shared services, cooperation agreements, mergers and/or efficiencies that, when implemented, will achieve savings for taxpayers.

Unlike the original tax freeze proposal, there is no requirement that the Government Efficiency Plans be developed on a countywide basis, although they can be. The Plans must include initiatives that will generate savings for three consecutive years equal to 1% of the combined tax levy of all of the local governments participating in the plan. The Plans must also be submitted to the Division of the Budget by June 1, 2015 and will apply to fiscal years beginning in 2017, 2018 and 2019.

For a local government that develops its own Government Efficiency Plan, the CEO has to certify, by June 1, 2015, that the local government agrees to "undertake its best efforts to fully implement the Plan by the end of the local fiscal year beginning in 2017." In addition, the CFO of such local government will need to submit to the Director of the Budget an analysis of the savings, as well as a written certification that the actions outlined in the Plan, in his/her professional opinion, would result in the projected savings equal to 1% of its 2014 tax levy for each of the three years beginning in the fiscal year that commences in 2017.

If a local government develops a Government Efficiency Plan with other municipalities, essentially the same plan-related certifications are required, but they must be submitted to the lead local government by May 15, 2015. It is then up to the lead local government to submit the Plan and all of the relevant certifications to the Director of the Budget by June 1, 2015. Both in the case of Government Efficiency Plans developed by a single local government or by more than one local government, the Director of the Budget must determine whether the requirements have been met and notify the Commissioner of Taxation and Finance no later than July 31, 2015 of his determination.

It should be noted that while the Governor's original tax freeze proposal would have allowed the State to withhold aid from a local government that failed to implement the actions included in the Government Efficiency Plan, this provision is NOT part of the final tax freeze proposal. Finally, the law states that the Director of the Budget "shall consider past efficiencies, shared services and reforms, in their approval process to determine whether the requirements have been met." The law does not specify an absolute date/year to which this "look back" would apply or what types of initiatives may be acceptable. It is our understanding that there will be guidance documents on the tax freeze proposal that will hopefully address this and many of the other questions that are likely to arise.

Consolidation and Restructuring Programs – The Adopted Budget includes \$39 million to support the Citizens Empowerment Tax Credits, the Citizen Reorganization Empowerment Grants and the Local Government Efficiency Grants:

- Citizen Empowerment Tax Credits Funding is available to incentivize local government consolidation or dissolution, providing a bonus equal to 15% of the newly combined local government's tax levy. At least 70% of such amount must be used for direct relief to property taxpayers.
- Citizens Reorganization Empowerment Grants Funding is available for grants up to \$100,000 for local governments to cover costs associated with studies, plans and implementation efforts related to local government reorganization activities. The local match for planning or study grants initiated by the local government would be 50%. However, upon approval of the local government reorganization, 40% of the local match would be refunded.

Local Government Efficiency Grants – Funding of \$4 million will continue to cover costs associated with local government efficiency projects, such as planning for and/or implementation of a functional consolidation, shared or cooperative services, and regionalized delivery of services. The local match for planning or study grants is 50%. However, if a local government implements a previously completed planning project, the local match for the planning project would be refunded (up to the local share for implementation). The maximum implementation grant award is \$200,000 per municipality/\$1 million per grant, and the maximum planning grant award is \$12,500 per municipality/\$100,000 per grant.

In addition, \$80 million is available for grants awarded by the Financial Restructuring Board through the Local Government Performance and Efficiency Program.

Aid for Municipalities with Video Lottery Terminals (VLTs) – Under current law, 18 municipalities – including the cities of Yonkers, Saratoga Springs and Batavia, as well as the villages of Monticello and Vernon – receive state aid to help offset a portion of the costs associated with being a "host community" for video lottery gaming operations. The Adopted Budget increases this aid amount by 7.6% for a total of \$29.3 million.

Procurement Authorization – In 2011, local governments were given the authority to: (1) purchase electricity and fuel through OGS; (2) piggyback off certain federal contracts, including GSA Schedule 70 (IT contracts), federal e-government contracts, and national defense authorization contracts; and (3) piggyback off county public works contracts. These authorizations were expanded in 2012 to allow piggybacking on several additional OGS contracts (materials, equipment, technology, food products, and supplies) as well as contracts from state agencies other than OGS; and in 2013, to allow piggybacking on additional federal contracts. These provisions are scheduled to sunset on June 24, 2014. The Adopted Budget extends these procurement authorizations until July 31, 2019.

Regional Economic Development Councils – The Adopted Budget authorizes a fourth round of funding for the Regional Councils totaling \$220 million in competitive resources – \$150 million in new capital funding and \$70 million in tax credits from the Excelsior Jobs Program.

Utility Assessment – As part of the 2009-10 State Budget, the State temporarily increased its assessment on regulated utility companies from one-third of 1% of gross intra-state revenues, to 2%. In addition to New York State gas, electric, steam and water corporations and the Long Island Power Authority, the increased assessment applies to municipal electric and gas corporations. Although the 2014-15 Executive Budget would have immediately eliminated the assessment for industrial customers and all customers of municipal gas and electric utilities, the Adopted Budget simply accelerates the phase out for all utility customers, including those customers of municipal utilities.

Environmental Protection Fund (EPF) – The Adopted Budget increases the Environmental Protection Fund by \$9 million to \$162 million, including \$13.7 million for the Solid Waste Program, \$59.7 million for the Parks and Recreation Program and \$88.6 million for the Open Space Program. Unlike the Executive Budget, the Adopted Budget does not include the authority to bond an additional \$100 million to extend the State's Superfund clean-up program, so the additional \$10 million for the Environmental Restoration Program to address municipally-owned brownfields is not part of the final plan.

ENACTED

Bonding for Superstorm Sandy Expenses

Authorizes the City of Long Beach to issue serial bonds to finance extraordinary expenses incurred as a result of Superstorm Sandy that are not eligible to be reimbursed from state and federal government grants.

(Chapter 3, effective February 21, 2014)

Installment Loans Bond and Note Extender

Extends, until September 30, 2017, the provisions of Local Finance Law § 169.00 authorizing municipalities to issue grid bonds or notes evidencing installment loans to the New York State Environmental Facilities Corporation (EFC) in order to obtain financial assistance from the Clean Water State Revolving Fund or (CWSRF) and the Drinking Water State Revolving Fund (DWSRF). (Chapter 110, effective July 22, 2014)

Statutory Installment Bonds Extender

Extends, until September 30, 2017, the provisions of Local Finance Law § 62.10 in relation to statutory installment bonds issued to the New York State Environmental Facilities Corporation (EFC). (Chapter 111, effective July 22, 2014)

Refunding Bonds Extender

Extends until September 30, 2017, the authorization for financially distressed municipalities to sell certain bonds to the Environmental Facilities Corporation in connection with hardship State revolving loan financing.

(Chapter 158, effective July 22, 2014)

Sewage Debt Exclusion from Constitutional Debt Limit

Makes the necessary statutory changes to provide for the implementation of the constitutional amendment approved by the voters in November 2013 to continue to exclude from the Constitutional Debt Limit calculation, indebtedness issued for the construction or reconstruction of facilities for the conveyance, treatment and disposal of sewage.

(Chapter 150, effective July 22, 2014)

Tax Agreements with Nuclear Generating Facilities

Continues to give local taxing jurisdictions with nuclear generating facilities the ability to negotiate tax agreements with such facilities.

(Chapter 336, effective September 4, 2014)

Superstorm Sandy Refund Not Requiring Prior Audit

Increases the threshold, from \$2,500 to \$7,500, that a municipal official could authorize payment of refunds due to those eligible under the Superstorm Sandy Assessment Relief Act, without seeking the approval of the local legislative body.

(Chapter 340, effective September 4, 2014)

Solar Tax Exemption Extender

Extends, until 2025, the real property tax exemption for solar, wind and farm waste energy systems at local option.

(Chapter 344, effective September 4, 2014)

City of Lockport Deficit Financing

Allows the City of Lockport to issue \$5 million in bonds to liquidate an operating deficit.

(Chapter 332, effective September 4, 2014)

City of Middletown Tax Lien Sale Sunset

Provides a sunset date of December 31, 2015 for the City of Middletown to sell, or pledge as collateral for a loan, some or all of the delinquent tax liens the City holds.

(Chapter 144, effective July 22, 2014)

Red Light Cameras – Rochester

Extends the authority, until December 1, 2019, for the City of Rochester to use red light cameras at no more than 50 intersections.

(Chapter 122, effective July 22, 2014)

Red Light Cameras – Albany

Authorizes the City of Albany to install and operate traffic-control signal photo violation-monitoring devices at no more than twenty intersections within such City at any one time, for a five-year period.

(Chapter 123, effective July 22, 2014)

Red Light Cameras - New Rochelle

Authorizes the City of New Rochelle to install and operate traffic-control signal photo violation-monitoring devices, at no more than twelve intersections within such City at any one time, for a five-year period.

(Chapter 99, effective July 22, 2014)

Exemption for Capital Improvements

Authorizes the City of Oneonta to provide a tax exemption to those that convert multiple dwellings into an owner-occupied single family or two-unit residence.

(Chapter 365, effective September 23, 2014)

Definition of Clerical Error

Expands the definition of clerical error to include purely "valuation" issues, which NYCOM would argue is not what was intended when this section of law was enacted.

(Chapter 409, effective October 21, 2014)

Exemption for Residential Investment

Authorizes the City of Oneonta to provide a tax exemption to those that construct residential real property within the City.

(Chapter 405, effective October 21, 2014)

Veterans Exemption

Increases the exemption amount a veteran may receive on real property purchased with eligible funds, from \$5,000 to \$7,500.

(Chapter 425, effective July 1, 2015)

Class 4 Tax Refunds in Nassau County

Establishes a two-step process for commercial property assessment disputes in Nassau County and requires that all refund of real property taxes owed to a class 4 property owner would be paid from the disputed assessment fund.

(Chapter 458, effective November 21, 2014)

Funding for Multi-Year Planning

Encourages municipalities that are experiencing fiscal stress to adopt multi-year financial planning and provides for the payment of such planning from monies appropriated to the Financial Restructuring Board for local governments.

(Chapter 526, effective December 17, 2014)



State Aid for Newly Incorporated Municipalities

Would have permitted newly incorporated (post 2005) villages to permanently receive AIM funding according to State Finance Law.

(Veto No. 498, November 21, 2014)

Refunding Bond Amendment

Would have provided for the issuance of local refunding bonds which do not exceed the amounts and maturity of the bonds which they refund.

(Veto No. 522, November 21, 2014)

Pension Funds Available for Investment

Would have increased the portion of public pension fund assets available for investment according to the prudent-investor standard, from 25% to 30%.

(Veto No. 552, December 17, 2014)

Shared Municipal Energy Program

Would have established a five-year pilot program in the County of Westchester to authorize municipalities to participate in a municipal energy aggregation program to procure electric and/or gas supply services on behalf of their residents.

(Veto No. 560, December 17, 2014)

PENDING ACTION BY THE GOVERNOR

Traffic Adjudication in the City of Buffalo – A. 3702-C (Peoples-Stokes) / S. 870-C (Grisanti) – NYCOM Supports

Would allow the city of Buffalo to adjudicate traffic infractions, allowing violators to have the option of a plea bargain.

STATUS: Delivered to the Governor, December 30, 2014

Government Operations and Community Development

Staff Contacts: Wade Beltramo & Marisa Franchini

ENACTED

Land Bank Expansion

Increases the number of land banks that are authorized to be created under New York State law from 10 to 20.

(Chapter 106, effective July 22, 2014)

Lever Voting Machine Extender

Extends the authority, to December 31, 2015, for villages, school districts, and town special districts to use lever voting machines. In addition, this law requires the State Board of Elections to make recommendations and offer guidance to villages and districts on how to migrate to electronic voting machines. The Board of Elections report must include an analysis of the cost and fiscal impact to villages and districts for transitioning to electronic voting machines.

(Chapter 273, effective August 11, 2014)

Lever Voting Machine Security

Requires lever voting machines to remain locked against voting for 30 days following an election, or until 15 days before the next election if the machines are needed for use at another election. Also allows lever voting machines to be unlocked if a discrepancy is discovered in a re-canvass or upon the order of any court or judge of competent jurisdiction.

(Chapter 250, effective August 11, 2014)

Form of Absentee Ballots in Village Elections

Amends the requirements for issuing an absentee ballot in village elections to conform to the standard for issuing absentee ballots in elections run by county boards of election. Under this amendment, voters will be able to apply for absentee ballots because they will be absent from the county due to work, even if their regular and daily place of work is located outside of the county. (Chapter 289, effective August 11, 2014)

Poll Watchers Prohibition

Prohibits candidates from serving as poll watchers in election districts where their name is on the ballot. (Chapter 254, effective August 11, 2014)

Speed Limit Camera Enforcement – New York City

Authorizes the City of New York to establish area-wide speed limits as low as 25 mph. (Chapter 248, effective November 7, 2014)

Truss Construction Notification

Requires property owners to notify local officials about the use of truss type, pre-engineered wood or timber construction in residential structures when applying for a building permit for the erection or rehabilitation of a residential structure. Also requires the municipality to notify the fire department or fire company with jurisdiction over the structure, that truss type, pre-engineered wood or timber construction is being utilized -- and the local code enforcement official would have to consult with the county fire coordinator, local 911 and fire protection dispatchers to determine the manner sufficient to warn persons conducting fire control and other emergency operations of the existence of truss type, pre-engineered wood or timber construction in the structure.

(Chapter 353, effective September 17, 2014)

Procurement Advertising

Allows political subdivisions to post bids for goods and services in the State's Procurement Opportunities Newsletter in addition to publishing in official newspapers.

(Chapter 367, effective September 23, 2014)

City Clerk Authority Regarding Marriage License

Allows verified statements and affidavits required when applying for a marriage license to be made before a designee of a city clerk's office.

(Chapter 415, effective October 21, 2014)

Public Authority Repealer

Repeals the statutory authorization of certain renewal agencies, community development agencies, and industrial development agencies (together, "agencies") that have ceased operations and have dissolved by operation of law or were never formally established. Will vest the records, property, rights, titles and interest, and all obligations and liabilities of those authorities in the municipality in whose interest such authorities were created.

(Chapter 403, effective November 6, 2014)

City Night Court Authorization

Authorizes cities to operate night court where court administrators determine that night sessions should be scheduled.

(Chapter 452, effective February 19, 2015)

Fairground Exemption from Local Land Use Regulations and Permitting Requirements

Amends Not-For-Profit Corporation Law § 1409 to substantially limit the ability of any city, town or village to regulate the construction, improvement, renovation, relocation or demolition of all or any of an agricultural or horticultural corporation's grounds, buildings, or facilities. This amendment also exempts agricultural or horticultural corporations from any licensing or permitting requirements except those required to protect the safety, health and well-being of persons.

(Chapter 488, effective December 17, 2014)

VETOED

MANDATE RELIEF Asbestos Notification Fee Waiver

Would have waived the asbestos "project notification fee" for building demolitions undertaken by a municipality when (a) a local government certifies that the work is being done to abate a nuisance or demolish an unsafe building and (b) the local government will not be able to recover the cost of the nuisance abatement or demolition. Would also have waived the asbestos "project notification fee" when a building demolition or renovation is undertaken by a land bank or pursuant to the urban renewal or municipal redevelopment laws.

(Veto No. 555, December 17, 2014)

MANDATE RELIEF Asbestos Notification Fee Waiver – Cities Over 125,000

Would have waived the asbestos "project notification fee" for all projects undertaken by cities with populations over 125,000 residents.

(Veto No. 540, December 17, 2014)

MANDATE RELIEF Asbestos Notification Fee Waiver for Work in Response to

Emergency/Disaster

Would have imposed a maximum \$250 asbestos "project notification fee" for all projects on owner occupied one and two family homes that is undertaken as a result of damage resulting from a disaster.

(Veto No. 555, December 17, 2014)

Brownfields Extender

Would have extended, until March 31, 2015, the State's Superfund Program and the Brownfield Cleanup Program tax credits.

(Veto No. 578, December 29, 2014)

Employee Relations and Public Safety

Staff Contact: John Mancini

ENACTED

Volunteer Fire Department Background Check and Sexual Offenses

Authorizes a fire company to determine whether an individual should be eligible to become a volunteer member of a fire company if his or her criminal history information indicated a previous sexual offense which would require registration as a sex offender.

STATUS: (Chapter 198, effective December 2, 2014)

New Universal Signage Related To Accessibility

Updates the handicapped accessibility icon and require that when signage is replaced, it be replaced with signs that incorporate the new icon.

(Chapter 190, effective July 25, 2014)

NYSHIP Transparency

Amends Chapter 547 of the Laws of 2013 to streamline the implementation of the law and bring greater transparency to the NYSHIP program.

(Chapter 147, effective July 22, 2014)

Village of Blasdell Exemption Related To Non-Resident Members of the VFD

Excludes the Village of Blasdell from the requirement that no greater than 45% of their VFD membership can be non-village residents.

(Chapter 117, effective July 22, 2014)

Village of Delanson Exemption Related To Non-Resident Members of the VFD

Excludes the Village of Delanson from the requirement that no greater than 45% of their VFD membership can be non-village residents.

(Chapter 215, effective August 7, 2014)

Authorization for Fire Protection District to Include the Village of Barker

Authorizes the Town of Somerset to extend the Somerset Fire Protection District into the Village of Barker.

(Chapter 302, effective August 11, 2014)

Authorization for Fire District to Include the Village of Fonda

Authorizes the Town of Mohawk to extend the Town of Mohawk Fire District into the Village of Fonda. (Chapter 261, effective August 11, 2014)

Authorized Leave of Absence During a Declared State of Emergency

Grants every person who is a member of a volunteer fire department or volunteer ambulance squad leave from their regular place of employment when engaged in the actual performance of their duties as an emergency responder, pursuant to a state of emergency. This legislation was amended at NYCOM's request to allow an employer to disapprove such leave if the employee's absence would impose an undue hardship on the employer's business or the delivery of services. In addition, the employee's leave would be unpaid, or may be charged against any other leave the employee is entitled to.

(Chapter 393, effective September 23, 2014)

Requires Municipalities to Display the Prisoner of War and Missing in Action Flag

Requires local governments to display the POW/MIA flag on certain days when the flag is provided to the municipality by a local veteran's organization.

(Chapter 366, effective September 23, 2014)

Police Officer and Firefighter 384-d Pension

Provides automatic enrollment in the Section 384-d retirement plan (optional 20-year plan) for members of the New York State and Local Police and Fire Retirement Fund System for those that join the system on or after January 1, 2015, whose employer has elected the benefits of such plan. Also allows individuals the opportunity to subsequently withdraw from such plan.

(Chapter 468, effective January 1, 2015)

VFBL & VAWBL Expansion

Expands the coverage of the Volunteer Firefighters' Benefit Law (VFBL) and the Volunteer Ambulance Workers' Benefit Law (VAWBL) to include coverage for volunteers who provide emergency services outside of their regular jurisdiction before an "officer in command" arrives on the accident scene, only if a municipality passes a resolution choosing to "opt-in" to the expanded coverage. (The "opt-in" provision was included at NYCOM's request.)

(Chapter 496, effective June 25, 2015)

Municipal Employment of Persons with Disabilities

Requires municipalities to treat employees appointed under the Civil Service Law Section 55-a as if they were employees in the competitive class for lay-off purposes, and to provide the appointees with seniority accruing from the date of appointment.

(Chapter 499, effective December 17, 2014)

Organizations Eligible to Receive Records Management Grants

Allows local volunteer fire and ambulance companies to apply for records management grants from the Local Government Records Management Improvement Fund.

(Chapter 508, effective December 17, 2014)

VETOED

UNFUNDED MANDATE Military Service Credit Law Expansion

Would have allowed <u>all</u> military personnel, irrespective of whether they served during wartime, the option to buy up to three years of service credit in the state's public retirement systems for the time they served in the military.

(Veto No. 484, November 7, 2014)

UNFUNDED MANDATE Police and Firefighter Pension Sweetener

Would have amended the Retirement and Social Security Law, granting certain police officers and firefighters not subject to a collective bargaining agreement, the option to join a non-contributory twenty-year retirement plan. This option was intentionally not granted when Tier V was established. (Veto No. 548, December 17, 2014)

Disability Benefits Filing Extension for Certain Cancers

Would have extended the filing deadline, from two years to five years, for firefighters in the NYS Local Police and Fire Retirement System to file an application for disability benefits due to certain cancers. (Veto No. 565, December 17, 2014)

PENDING ACTION BY THE GOVERNOR

UNFUNDED MANDATE Negotiability of Police Discipline – A. 9853 (Abbate) / S. 7801 (Golden) – *NYCOM Opposes*

Would entitle police officers and all other competitive class employees in New York to collectively bargain their disciplinary procedures. Such procedures are currently not subject to collective bargaining.

STATUS: Delivered to the Governor, December 30, 2014